

SECTION 221 -- THE FY 2003 ANNUAL PERFORMANCE PLAN

221.1 Annual performance plan for fiscal year 2003.*(a) Introduction.*

The FY 2003 performance plan should continue expanding the quality and scope of performance information included in previous annual plans. The FY 2003 performance plan adds a fifth year of performance information. These five years of information span fiscal years 1999 through 2003.

(b) Schedule.

The initial FY 2003 performance plan is to be sent to OMB by September 10, 2001. An agency's final FY 2003 performance plan is sent to Congress no earlier than the date for the transmittal of the President's FY 2003 Budget.

(c) Performance content of the initial FY 2003 plan.

A major initiative is underway to make the Federal government more results-oriented. The initiative encompasses:

- an emphasis on fully integrating budget and performance information;
- calculating the full cost of programs and activities; and
- increasing the quality, usefulness, and amount of performance information in the President's budget.

As part of this initiative, Cabinet departments and selected major independent agencies have received Spring Guidance letters from OMB, which include a list of several outcomes with related outputs. In their initial FY 2003 performance plan, these departments and agencies should provide integrated budget and performance information for the listed outcomes and outputs in sufficient detail to allow OMB to 'passback' both budget and performance levels. Prospectively, the number of agencies and programs covered by this process will substantially increase for the FY 2004 budget. (See also section 51.7)

(d) Performance content of the final FY 2003 plan.

An agency's performance goal targets for its final performance plan should reflect the President's budget for FY 2003. The target levels should be consistent with program, policy, and resource decisions made by the President.

(e) Integrating budget and performance.

An annual plan should display the amount budgeted either for a GPRA program activity or a set of related GPRA activities. Currently, some agencies may have difficulty in preparing such a display. An agency unable to display such information in its FY 2003 performance plan should describe the action steps it intends taking in 2002 and 2003 to develop the capability for aligning budget amounts with GPRA program activities. A timetable for the specific steps should be included. The descriptions and schedules are included in the initial FY 2003 plan sent to OMB. Following OMB review, the agency may include the steps and timetables, as modified following the review, in its final FY 2003 performance plan.

(f) Fiscal year 1999, 2000, 2001, and 2002 budget information.

Agencies displaying budget information for FY 2003 performance goals or sets of goals should also include this information, if available, for current and past fiscal years. Plans including performance goals for fiscal years 2002 (estimated performance) and 2001 (actual performance) should include the corresponding budget amounts for these goals. Agencies may include the corresponding budget amounts for performance goals for fiscal years 1999 and 2000. The budget amounts should be at the same aggregate level, such as the GPRA program activity level, as displayed for FY 2003 in the annual plan. The agency should note if a budget amount covered goals within GPRA program activities that were discontinued.

(g) Incorporating improvements arising from reviews of the FY 2000, 2001, and 2002 performance plans, and the FY 1999 and 2000 program performance reports.

These first sets of annual plans and reports were reviewed extensively by OMB, Congress, and other parties. These reviews have produced numerous suggested improvements to individual agency plans. Agencies are expected to reflect and incorporate appropriate suggestions and comments for improving their annual plans in the fiscal year 2003 plan. (See also subsection 220.18).

221.2 Fiscal year coverage of the FY 2003 annual plan.

Summary of requirement: The FY 2003 annual plan should include performance goals for both FY 2002 and 2003, and actual performance information for FY 1999, 2000, and 2001. Agencies are encouraged to include actual performance information for FY 1998, if it is available.

(a) Fiscal year 2003.

Performance goals and indicators for fiscal year 2003 set out projected levels of performance. These performance goals are a statutorily-required element of the plan.

(b) Fiscal year 2002.

For performance goals and indicators included in both the FY 2003 and 2002 plans, the target levels of performance for fiscal year 2002 should be displayed. While target values for a performance goal can differ

by fiscal year, the goal description should be similar. The target values for FY 2002 represent estimated performance levels.

The FY 2002 target levels are those contained in either the final plan or the revised final plan for this fiscal year, whichever is most current. Although FY 2002 target levels are included in an agency's final FY 2003 plan, the FY 2003 plan is not used to further revise target levels for performance goals in the FY 2002 plan. Any such revision must first be made through a revised final plan for FY 2002.

Fiscal year 2002 performance goals or indicators that are not continued in the FY 2003 plan need not be included in this plan. Information on now-discontinued FY 2002 performance goals and indicators is found in either the final or revised final FY 2002 performance plan.

(c) Fiscal years 1999, 2000, and 2001.

Agencies should include actual performance data for FY 1999, 2000, and 2001 for those performance goals and indicators included in both these and the 2003 plans.

Actual performance information for FY 2001 often will not be available when the initial FY 2003 plan is sent to OMB in September 2001. Data availability should increase by the time that the final plan is sent to Congress. Agencies including actual performance data in their FY 2003 plan but lacking information for specific goals or indicators should note that the information is not available. Data may also be characterized as preliminary.

An agency need not compare actual performance with fiscal year 2001 target levels for performance goals and indicators. (See also section 232.1 on other elements of a program performance report which an agency need not include in its annual plan.)

(d) Fiscal year 1998.

Agencies having actual performance data for 1998 corresponding to performance data for FY 1999 that is being included in the FY 2003 performance plan are encouraged to include this information as well. This data can be useful in showing trends or in establishing a baseline. Agencies need not include performance data for FY 1997 in their FY 2003 performance plan. Agencies should note that the FY 2003 plan marks the last appearance of FY 1998 data in performance plans. The FY 2004 plan will be the first plan to include four years of actual performance data (fiscal years 1999-2002) developed under GPRA provisions.

(e) Future fiscal years.

Agencies should include the projected level of performance in a future fiscal year; i.e., post fiscal year 2003, where such performance will be funded by the FY 2003 budget request. (See subsection 220.10(c) on goals for performance occurring in a future fiscal year.) In the initial plan submitted to OMB, agencies may include projections of future performance that would be funded by future year budgets, i.e., post FY 2003 budgets. Performance projections tied to future year budgets are usually not included in a final or revised final performance plan.

221.3 Display of performance goals in the FY 2003 annual plan.

Performance information for fiscal years 1999, 2000, 2001, 2002, and 2003 for a program activity should be grouped as a single array. Agencies should avoid dividing the annual plan into separate sections by fiscal year.

Agencies have flexibility in designing the array, e.g., whether to present the information as a multi-column table or vertically. The design may be influenced by how the performance goals are expressed, e.g., as quantitative values or descriptive statements. Fiscal year 2003 target levels should be defined as projected performance, FY 2002 target levels as estimated performance, and FY 2001, 2000, and 1999 (or prior year) levels as actual performance.

An agency defining a significant number of performance goals using the alternative form of measurement may truncate the descriptive reporting of actual prior year performance in its annual plan. (Performance goals not defined in a quantifiable manner use the alternative form of measurement. See section 220.15 on the alternative form of measurement.) Performance reporting may be truncated for years two, three, and four of actual performance, but not for the most immediate prior year. For example, a performance plan for 2004 includes actual performance for 1999, 2000, 2001, and 2002, with actual performance being truncated for years 1999-2001. A truncated description of performance briefly summarizes in a phrase or two what was achieved in a particular fiscal year. An agency may not truncate the reporting of prior year performance in its annual report.

Performance goals or indicators newly established for the FY 2003 plan may not have counterpart goals in the FY 2002 plan. The plan should indicate that these are new goals.